

The provisions for additional dividends on certificate accounts are transferred to Art. 23, §161FF(d) for eventual allocation to the Business Regulation Article.

The words "savings and loan association" are defined in § 6-201 of this subtitle .

The word "assets" is defined in Title 1 of this article.

6-213. GUARANTY STOCK PERMITTED.

(A) GENERAL RULE.

A SAVINGS AND LOAN ASSOCIATION MAY ISSUE GUARANTY STOCK IN ADDITION TO ITS FREE SHARE ACCOUNTS, IF THE SAVINGS AND LOAN ASSOCIATION QUALIFIES UNDER SUBSECTION (B) OF THIS SECTION AND COMPLIES WITH SUBSECTION (C) OF THIS SECTION.

(B) SAVINGS AND LOAN ASSOCIATION WITH OUTSTANDING GUARANTY STOCK OR AGREEMENT TO SELL GUARANTY STOCK.

(1) A SAVINGS AND LOAN ASSOCIATION QUALIFIES TO ISSUE GUARANTY STOCK IF IT:

(I) WAS ORGANIZED BEFORE JANUARY 1, 1961;

(II) ON JANUARY 1, 1961, HAD THE MINIMUM FREE SHARE ACCOUNTS REQUIRED BY §6-204(A) OF THIS SUBTITLE;

(III) ON OR BEFORE OCTOBER 1, 1961, SOLD AND HAD OUTSTANDING AT LEAST \$50,000 OF GUARANTY STOCK; AND

(IV) IS AUTHORIZED BY ITS CHARTER TO ISSUE ONE OR MORE CLASSES OF STOCK WHICH ARE NEITHER FREE SHARE ACCOUNTS NOR BORROWER'S SHARES.

(2) A SAVINGS AND LOAN ASSOCIATION SHALL BE CONSIDERED TO HAVE COMPLIED WITH THE REQUIREMENTS OF PARAGRAPH (1) (IV) OF THIS SUBSECTION IF:

(I) ON OR BEFORE OCTOBER 1, 1961, THE SAVINGS AND LOAN ASSOCIATION CONTRACTED OR OTHERWISE ARRANGED FOR THE SALE OF GUARANTY STOCK IN AN AMOUNT WHICH, TOGETHER WITH ITS THEN OUTSTANDING GUARANTY STOCK, EQUALED \$50,000;

(II) ON OR BEFORE OCTOBER 1, 1961, THE SAVINGS AND LOAN ASSOCIATION ACKNOWLEDGED FORMALLY AND RECOGNIZED, ON ITS BOOKS OR IN ITS MINUTES, THE AGREEMENT FOR THE SALE;